

DRAFT REPORT

PROGRAM PERFORMANCE MONITORING PLAN USAID/Dominican Republic

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6. Policy Reforms Matrix - A matrix for monitoring and reporting implementation of policy changes and reforms
7. A matrix for assessing effective institutional strengthening interventions

ACRONYMS

ABS	-	Annual Budget Submission
CAASD	-	Corporation of Aqueducts and Sewerage of Santo Domingo
CDE	-	Dominican Electric Corporation
CDSS	-	Country Development Strategic Statement
CONATEF	-	National Technical Forestry Commission
DETRA	-	Development and Training Project
DHS	-	Demographic and Health Survey
DI	-	Democratic Initiatives
EAI	-	Enterprise for Americas Initiative
EPP	-	Economic Policy and Practice
ET	-	Environmental & Training Office
FHC	-	Family Health Care
FTZ	-	Free Trade Zone
GDO	-	General Development Office
GDP	-	Gross Domestic Product
GODR	-	Government of Dominican Republic
IBRD	-	International Bank for Reconstruction and Development
IDB	-	Inter-American Development Bank
IMF	-	International Monetary Fund
INAPA	-	National Institute of Potable Water & Sewerage
INDOTEC	-	Dominican Institute of Industrial Technology
INDRHI	-	National Institute of Hydraulic Resources
IPC	-	Investment Promotion Council
JACC	-	Joint Agricultural Consultative Committee
KAP	-	Knowledge & Attitude Profile
LAC	-	Latin America and Caribbean
MSBD	-	Micro & Small Business Development
MSI	-	Management Systems International
NGOs	-	Non-Governmental Organizations
ORT	-	Oral Rehydration Therapy
PDI	-	Policy and Democratic Initiatives Office
PIPE	-	Private Initiative - Primary Education
POL	-	Policy
PRE	-	Private Enterprise Office
PPAP	-	Program Performance Assessment Plan
PPAS	-	Program Performance Assessment System
PROGRESSIO	-	Foundation for Human Improvement
PRONATURA	-	Fund for Nature
PVOs	-	Private Voluntary Organizations

SESPAS
SURENA
USAID
WHO

- Secretary of State of Public Health & Social Assistance
- Subsecretary of natural Resources
- United States Agency for International Development
- World Health Organization

Chapter I. INTRODUCTION

A. Purpose and Scope of Work

The purpose of this report is to help USAID/Dominican Republic establish a Program Performance Assessment Plan for its key programmatic interventions. When the system is up and running, USAID/Dominican Republic should be able to, on a regular basis, judge the impact of its various programs and progress towards the achievement of the Mission's higher-level goal. The information generated can be used for the Mission's own management purposes and for reporting to A.I.D./Washington and Congress.

B. Methodology

The PPAS Team visited USAID/Dominican Republic from January 26 through February 8, 1992. The teams composition is as follows: James Walker, LAC/DPP economist and team leader; John Mason, POL/CDIE anthropologist with primary team responsibility for democratic initiative issues; James Chase, Management Systems International (MSI) consultant with primary team responsibility for human resources issues; and Samuel Taddesse, MSI consultant economist with shared primary team responsibility with team leader for economic policy reform and private sector issues. Throughout the entire process the Team worked with Mr. Douglas Chiriboga of the Program and Project Development Office and Mission Technical Offices who were generous with their time and of great assistance throughout the assignment on technical and administrative matters, and who participated fully in developing this Program Performance Assessment Plan (PPAP).

The Team took as points of departure the Mission goals and strategic objectives articulated in the Mission's current Country Development Strategy Statement (CDSS) and Action Plan, the Mission's current pattern of funding allocations, basic program documents, historical records, current and planned program interventions. The strategic objectives reflected in the CDSS were scrutinized from three perspectives: their congruence with overall Agency and Bureau objectives; their consistency with the values and judgements of the Mission staff; and their feasibility given projected resource levels.

Once in the Dominican Republic the Team followed the objectives and the schedule established at the January 15, 1992 Team Planning Meeting (see Annex 1). On Monday January 27, the Team met with senior Mission management and heads of Technical Offices. On Tuesday January 28, the Team reviewed program documents and met with Mr. Chiriboga to further clarify the process the Team will use and to get an understanding of Mission management expectations. On Wednesday January 29, the Team conducted a Mission-wide workshop from 9:00 AM to 4:30 PM. The workshop agenda is attached as Annex 2.

John Mason opened the workshop by welcoming the workshop participants (35 participant including US direct hires and foreign service nationals). He introduced the objective of the workshop and the PPAS process. After a 15 minute break Samuel Taddesse discussed the Principles of Strategic Planning giving examples of how other missions have applied the methodology. The test of a "good" strategic objective was provided to establish a common understanding of how a strategic objective should be stated (see Annex 3). Jim Chase then facilitated the discussion of cost and benefit of the PPAS process from the Mission's perspective. The morning session was closed off by John Mason's presentation and discussion of the LAC Guidance and the formation of small working groups to apply the principles learned from the morning session. Three small groups were formed along the Economic/Private Sector, Human Resources/Social Services and Democratic Initiative issues. After lunch, the small groups worked on development problem identification and strategic objectives and program outputs formulations and each groups' spokes person presented the groups analysis to the workshop participants. The workshop concluded by discussing and reaching agreement on next steps.

Four working groups were formed to work on refinement of the Mission strategic objectives articulated in the Mission's CDSS -- Economic Growth/Private Sector, Social Services, Natural Resources Management, and Democratic Initiatives. The list of participants in these working groups is attached as Annex 4. The Economic Growth/Private Sector and the Natural Resources Management groups were facilitated by Samuel Taddesse and James Walker; the Social Services group was facilitated by John Mason and James Chase; and the Democratic Initiative group was facilitated by John Mason.

Although progress was made in articulating the Mission strategic objectives, further work is required in determining whether or not the Natural Resources Management (NRM) strategic objective should stand alone or should be folded into the Economic/Private Sector strategic objective. Progress was also made in identifying Country Trend and Country Program Performance Indicators to measure progress at the Program Goal, Program Sub-Goal, Strategic Objectives, and Program Outputs levels. However, further work on these indicators and the associated data sources is still required. The Mission is in the process of designing and implementing several new interventions. This may necessitate identification of additional indicators. A data set inventory matrix is attached as Annex 5 to assist the Mission in identifying the data sources for each program level performance indicators. The present report should, therefore, be considered an iteration in the Mission's process of defining program strategies and in preparing and refining its 1992-1993 Action Plan.

Throughout the report the following PPAS conventions and definitions are used.

Program Performance Assessment Plan (PPAP): An institutionalized system for collecting and reporting program performance data on a periodic (usually annual) basis.

Manageable Interest: Those elements of a USAID Program Logical Framework for which management accepts responsibility for achievement, monitoring, evaluation, and reporting. USAID will probably not control all the necessary and sufficient elements

which produce the results for which it is taking responsibility. For those elements which it does not control, USAID must monitor whether progress is being made so it can know if its objectives can and will be achieved.

Program: A program is the sum of the project, non-project, Title III food aid and policy dialogue actions undertaken by an A.I.D. field mission in pursuit of a given strategic objective.

Program Goal: The highest level objective in the USAID Program Logical Framework. It should be stated in terms of results which are as close as possible to positive changes in the lives of people. The results to be produced at this level may be very long term - i.e. ten to twenty or more years into the future.

Program Sub-Goal: An intervening level objective between the strategic objective and the goal in the USAID's Program Logical Framework. By definition, it is above the level of Mission manageable interest. Results at this level should be obtainable in less time than at the goal level.

Strategic Objectives: The highest level objectives in the USAID Mission Program Logical Framework which the Mission accepts as within its manageable interest. These objectives should be stated in terms of results which are as close as possible to positive changes in the lives of people - i.e. people level impact. The results at this level should be attainable in five to seven years.

Program Outputs: The major accomplishments an A.I.D. field mission is willing to assume direct responsibility for in its efforts to achieve Strategic Objectives. The results at this level should be obtainable in three to five years.

Program Sub-Outputs: Accomplishments that contribute to achieving a Program Output. The results at this level should be obtainable in one to three years.

Performance/Impact Indicators: Criteria for measuring progress in the attainment of Strategic Objectives.

Program Output Indicators: Measures which quantitatively or qualitatively demonstrate progress (or lack of same) in achieving Mission country program objectives. They should be clearly associated with points in time so as to enable judgements of that program's performance in achieving its objectives.

Program Activities: The inputs (projects, non-project activities, etc.) provided to achieve program outputs and sub-outputs that in turn contribute to achieving the Strategic Objective.

Target of Opportunity: An objective or activity incidental to the A.I.D. field mission's basic program strategy but nevertheless included in its portfolio for historical, political, humanitarian, or public relations reasons.

Cross-Cutting Issue: An issue of programmatic or policy concern that permeates an A.I.D. field mission's portfolio and warrants unified planning and monitoring but which does not constitute a separate Strategic Objective.

C. Role of Senior Mission Management

Based on prior strategic planning exercises, it has been MSI's experience that these assignments to develop program performance monitoring systems are most meaningful and productive when there is active participation from senior Mission management. Strategic objectives represent the manageable interest of Office Chiefs and therefore reaching consensus on strategic objectives often requires extensive dialogue and negotiation between technical management and staff, and between Office Chiefs and senior management. The strategic objective should represent a management contract between the Mission Director and the objective's manager (most often an office chief).

In order that the exercise have a high degree of utility, responsible office chiefs should be willing to have their performance assessments based on the achievement of strategic objectives. (After all results have been defined to be within their manageable interest.) When this process is earnestly undertaken, then a significant amount of analytical work is required to identify manageable interest and reduce assumptions (externalities). It is hoped that identifying and accepting the implications of critical assumptions will assist in the process of designing effective development interventions. To the extent that externalities can be minimized, then USAID's "manageable interest" will increase and the probability of successful performance will also increase.

Just as the strategic objective represents a management contract between the Mission Director and an Office Chief, the sum of the strategic objectives (a Mission program) represents the management contract between AID/Washington and USAID field Mission.

USAID/Dominican Republic senior management and technical office chiefs spent a great deal of time with the Team and the working groups in defining and refining Strategic Objectives, Program Outputs and Performance indicators. The cooperation the Team received from the Mission staff is also a testimony to the fact that the staff has accepted responsibility for the Mission's strategic objectives.

D. Organization of the Report

The following chapter begins with a presentation of the USAID's program and sets forth the rationale for the Strategic Objectives that support achievement of the USAID Program Goal.

- For each Strategic Objective, Chapter II then notes its relation to the Program Goal, identifies performance/impact indicators, and data sources.
- Chapter III presents next steps for the further development and implementation of Performance Monitoring.
- The report contains seven annexes:
 1. Cable on PPAS Technical Assistance to USAID/Santo Domingo;
 2. Workshop Agenda;
 3. Test For Statement of a Good Strategic Objective;
 4. List of working group participants
 5. Data Set Inventory Sheet;
 6. Policy Reforms Matrix - A matrix for monitoring and reporting implementation of policy changes and reforms; and
 7. A matrix for assessing effective institutional strengthening interventions.

Chapter II. Goals, Strategic Objectives and Performance Indicators

Mission Goals and Sub-Goals

The Mission's overall program goal is stated as follows:

MISSION PROGRAM GOAL: Broad-based and sustainable economic growth within a democratic environment.

The goal of USAID strategy is to assist those in Dominican society who seek and support the policy and institutional reforms which would enable the Republic to attain a broad-based and sustained economic growth. The Government of Dominican Republic (GODR) has recently began implementing a comprehensive economic reform program that includes financial measures to stabilize the economy and important structural reforms in the area of banking, tariffs, and taxes. In the past, implementation of such programs has not been timely, sustained or coherent. To attract domestic and external resources essential for economic recovery and sustained future growth, the government will need to faithfully adhere to these programs. USAID seeks to assist Dominicans craft a policy environment conducive to foreign and domestic private investment and an outward looking economy capitalizing on comparative advantage to bolster external trade.

The Mission's overall program objective tree in the following page summarizes the Mission's program strategies. The Mission's program goal and sub-goals and the associated performance indicators, data sources and data maintenance and analysis responsibilities are presented in Table 1. Achievement of the goal can be measured in terms of:

- Increase in real per capita Gross Domestic Product (GDP)
- Improvements in income distribution proxies:
 - Decrease in infant mortality rate
 - Increase in per capita caloric intake
 - Increase in real income of the bottom-half of the population

Data for these performance indicators are generally available from World Bank publications, IBRD policy papers and WHO publications. Growth in per capita GDP in combination with measures of increased per capita caloric intake and decrease in infant mortality rates is used as a proxy for economic well-being. However, a better indicator of economic well-being is increase in per capita disposable income by income groups. This, however, will require gathering data on income by income distribution. Instead the Mission is sponsoring a household survey to generate household income data for the bottom half of the population.

The Mission has identified two Sub-Goals to directly support this program goal:

SUB-GOAL No. 1: Increased employment and income.

Achievement of this sub-goal can be measured in terms of:

- Increase in employment
- Increase in average real wages

Data for these performance indicators are available from the Central Bank of Dominican Republic, the World Bank/IBRD and USAID supported household surveys.

The welfare of Dominicans will improve only if their disposable income increases so that they can afford food, medical care and education for their family. Given the current high rate of unemployment, income of the majority of the population will grow only with the expansion of external trade through greater private sector participation.

SUB-GOAL No. 2: Stable, participatory democracy.

As part of a larger, LAC Bureau strategy, USAID/Dominican Republic is focusing U.S. economic assistance on the **"strengthening of a stable, democratic society."** This country-level objective is seen as a critical element in the twin objectives of economic growth and strengthening democracy, which are defined in the Mission's CDSS strategy as both interdependent and mutually reinforcing. As part of the overall strategy, the place of Dominican participation in the process of government is defined as essential. More specifically, what is seen as crucial is the need for people to participate in the process of influencing government so that their needs are better served.

Achievement of progress towards achieving this sub-goal can be measured in terms of:

- Increase in consensus on democratic values and processes (Male/Female)
- Improved perception of public service delivery (Male/Female)

For the program sub-goal indicators were shaped to capture some of the more subjective features of the democratic development process. Thus, increased consensus on democratic values -- a measure of a condition which the Mission realizes is beyond its manageable interest -- was selected as one of the performance indicators. While that measure is one which calibrates more of a means on the "means-end" continuum, the second indicator, perception of improved public service delivery, is more one of the ends or expected outcomes of practicing democracy. The performance indicators for this sub-goal will be measured using various sources including -- periodic survey data, analysis of press reports, focus group interviews and key informant interviews.

A stable and democratic government is an essential ingredient for a sustained economic growth. The public's confidence in their government's ability and integrity is essential to attract investment and thereby increase trade and employment opportunities.

USAID/Dominican Republic
Mission Program Objective Tree

PROGRAM GOAL:

Broad-based and
Sustainable Economic
Growth within a
Democratic Environment

PROGRAM SUB-GOAL:

Increased Employment
and Income.

Stable Participatory
Democracy

STRATEGIC OBJECTIVES:

Increased and
Diversified Trade

Increased socio-economic
participation of the
historically
disadvantaged.

Increased environmental
sustainability of
production and
extraction processes.

Participatory
Democratic Reform.

PROGRAM OUTPUTS:

Market oriented Economic
Policy and Regulatory
Reforms Adopted and
Maintained

Increased
Export Production
Capability of Dominican
firms

Wider Access to
Market and Investment
Information

Increased Availability
and reliability of
competitively priced
energy.

Improved quality of
educational services.

Improved access to
quality health services.

Increased Income
generating opportunities.

Democratic community
organizations control
and protect their own
environments.

Increased availability
and reliability of
competitively priced
alternative energy.

Areas of significant
interest of concern for
environmental reasons
receive special
protection and treatment.

Policies that attract
environmentally benign
industries adopted and
enforced.

COOR supports
environmental initiatives
under EAI

Electoral Reform
(illustrative)

Judicial Reform
(illustrative)

Civil Service Reform
(illustrative)

Policy and Regulatory
reform.

Table 1. Country Program Goal - Performance Indicators and Data Sources

PROGRAM GOALS, OBJECTIVE, OUTPUTS	IMPACT INDICATOR	DATA SOURCES	RESPONSIBLE OFFICE
<p>PROGRAM GOAL:</p> <p>Broad-based and sustainable economic growth within a democratic environment.</p>	<ul style="list-style-type: none"> . Increase in real per capita GDP . Improvements in income distribution proxies: <ul style="list-style-type: none"> - Decrease in infant mortality rate - Increase in per capita caloric intake - Increase in real income of the bottom-half of the population <ul style="list-style-type: none"> : Male : Female 	<ul style="list-style-type: none"> . Central Bank . EPP Survey . Household Survey . World Bank 	<p>PDI</p>
<p>PROGRAM SUB-GOAL No. 1:</p> <p>Increased employment and income.</p>	<ul style="list-style-type: none"> . Increase in employment <ul style="list-style-type: none"> : Male : Female . Increase in the average real wages <ul style="list-style-type: none"> : Male : Female 	<ul style="list-style-type: none"> . Central Bank . EPP Survey . Household Income Survey 	<p>PDI</p>
<p>PROGRAM SUB-GOAL No. 2:</p> <p>Stable, participatory democracy.</p>	<ul style="list-style-type: none"> . Increase in consensus on democratic values and processes <ul style="list-style-type: none"> - Male - Female . Improved perception of public service delivery nationwide <ul style="list-style-type: none"> - Male - Female 	<ul style="list-style-type: none"> . Periodic Surveys . Analysis of Press Reports . Focus group interviews . Key informant interviews 	<p>PDI</p>

STRATEGIC OBJECTIVE No. 1: Increased and diversified external trade.

A. Rationale

After a period of stagnation, growing external indebtedness and seriously deteriorating social conditions of the past decade, the Dominican Republic is poised for a period of economic growth. The reforms the GODR has already taken have had significant accomplishments. The fiscal deficit has been reduced into half since 1990, primarily by increasing prices of publicly subsidized goods and services. The exchange rate regime has been unified. The exchange rate is for the most part market determined. Monetary expansion has been restricted through a combination of measures aimed at strengthening the banking system. Interest rates both on deposits and loans have been deregulated. Liberalization of the external trade regime has been initiated by eliminating taxes on traditional exports such as sugar, coffee, cocoa and tobacco and by simplifying the customs systems. The number of duty rates was reduced to seven and the maximum tariff rate dropped from 596 percent to 35 percent. Inflation which exceeded 100 percent in 1990 has been arrested dramatically. The consumer price index increased by only 4.23 percent in 1991 and has remained stable.

Indeed, today the Dominican Republic is characterized by export dynamism driven by expansion of tourism and free trade zone services. It has considerable potential for economic growth. The country is close to many major markets including the United States, Central and South America, as well as the rest of the Caribbean and enjoys good air and sea links. Its extensive natural resource base could be used productively for agriculture and forestry. Its climate and beaches will continue to attract investment in tourism. The country's political stability and abundant low cost labor force and highly varied, competent and dynamic private sector will make it particularly attractive to investors and exporters. Today there are over 300 enterprises in the free trade zones and investment in tourism has increased by 15 percent since 1990.

Strategic Objective No. 1 feeds directly into the higher-level Sub-Goal No. 1 -- to increase employment and income. Furthermore, the sub-goal contributes directly to the overall program goal, which is broad-based and sustainable economic growth within a democratic environment. Overall economic growth will be driven by greater tourism, light manufacturing, textiles, agro-industrial and other non-traditional exports. These sectors will forge linkages with, and provide greater demand for, domestic services and local food production.

The four external trade program outputs flow directly into the strategic objective. USAID plans to assist Dominicans boost their external trade by supporting the establishment of improved trade and investment enabling macroeconomic and fiscal policies and regulatory environment (Program Output No. 1.1). The Mission will support private sector appeals for a clear set of rules of the game, consistently applied and fairly adjudicated by directly working with non-governmental organizations (NGOs) and private voluntary organizations (PVOs). The recent, positive evolution of government macro-economic policy offers the possibility of significant payoffs in terms of renewed private and official external capital flows. This in turn will greatly boost external trade.

Annex 6 -- Policy Reform Matrix, is provided to assist the Mission to summarize policy reforms implemented by the GODR and to highlight the success and NGOs and PVOs are having influencing government policy-making.

The Mission through its various program activities including the Industrial Linkages Project and Development Training Project will provide technical assistance and training to enhance the export production capability of Dominican firms (Program Output No. 1.2). It is expected that Dominican firms will increase investment and production to export directly and/or to supply intermediate and finished goods to free trade zones (FTZs). Realizing that access to market and investment information is key to the expansion of investment and trade, USAID through its Export and Investment Promotion Project, Industrial Linkages Project and Agribusiness Promotion Project will assist NGOs and PVOs to provide wider access to information both for domestic and foreign firms (Program Output No. 1.3).

Currently, electric power is produced by the public sector. Electric power production has been very inefficient and unreliable. The energy sector has been a major constraint for the expansion of manufacturing and processing capacity in the Dominican Republic. The energy sector requires restructuring and privatizing in order to generate competitively priced and reliable energy supply (Program Output No. 1.4). In this respect USAID is assisting Dominicans to craft a sound energy policy and privatization program.

USAID strategy is to work with NGOs and PVOs in bring about change in the Dominican Republic. Participatory policy-making will be enhanced by strengthening selected NGOs and PVOs dealing with public policy issues. Annex 7 provides a matrix for measuring sustainability and viability of assisted NGOs and PVOs.

The information evaluation and reporting needs at this Strategic Objective level were reviewed by the working group in terms of reporting needs at different program levels. The pertinent objective tree, developed by the working group, is presented graphically and is shown in the following page. Performance indicators and data sources developed by the working group for this objective and the associated program outputs are presented in Table 2.

B. Special Considerations

Although, the Dominican Republic has a stable government and has recently made several sound macroeconomic and fiscal policy reforms and has accepted the structural adjustments and reforms required by the World Bank and the International Monetary Fund (IMF), the government has in the past reversed its reforms for political expediency. This is partly due to the lack of appreciation for the popular support these reforms have had from the public and is partly due to the callousness and ineffectiveness of public officials. Therefore, the success in achieving this strategic objective depends upon the sustainability of the reforms taken to date and the adoption of additional favorable investment and external trade reforms.

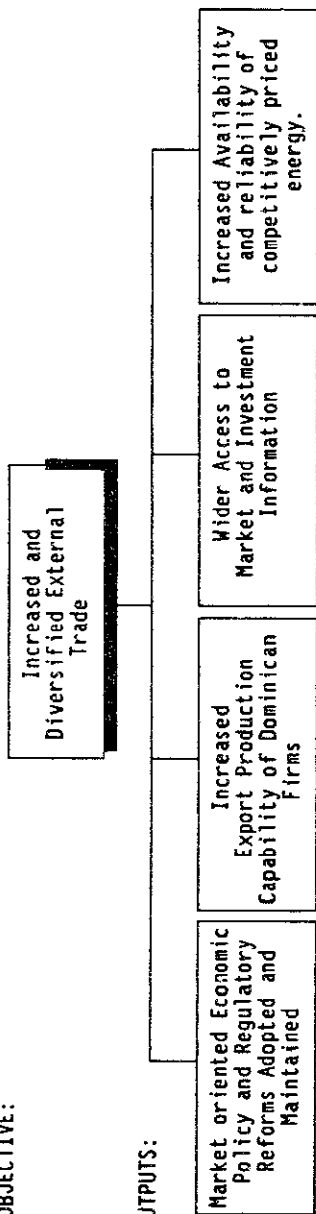
C. USAID Inputs

USAID/Dominican Republic has several projects including donor coordination underway to support the achievement of Strategic objective No. 1. Some of these projects are listed below.

1. Economic Policy and Practice , 1992 -1998, \$6.0 Million
2. Export and Investment Promotion, 1987 - 1992, \$10.6 Million
3. Agribusiness Promotion, 1985 - 1992, \$5.5 Million
4. Commercial Farming Systems, 1987 -1992, \$7.17 Million
5. Industrial Linkages, 1989 - 1994, \$5.0 Million
6. Debt Conversion, 1988 - 1992, \$3.5 Million
7. PL480 Title II, \$4.5 Million per Year
8. Economic Stabilization Fund (ESF), 1992 - 1994, \$100.0 Million
9. PVO Co-Financing, 19__ - 1996, \$6.2 Million
10. Development Training, 19__ - 1994, \$14.9 Million

USAID/Dominican Republic
Economic Growth Program
Strategic Objective No. 1

STRATEGIC OBJECTIVE:



PROGRAM OUTPUTS:

USAID INPUTS:

- EPP Project
- Export Promotion Proj.
- Industrial Linkages Proj.
- Ag-Business Promotion Proj.
- Debt Conversion Proj.
- ESF Project
- Export Promotion
- Industrial Linkages
- Univ. Ag-Bus Partnership.
- Development Training
- Export Promotion
- Industrial Linkage
- Ag-Business Promotion
- Donor Coordination
- EPP Project
- ESF Project
- PVO Co-financing

Table 2. Economic Growth Program - Performance Indicators and Data Sources

PROGRAM GOALS, OBJECTIVE, OUTPUTS	PERFORMANCE INDICATORS	DATA SOURCES	RESPONSIBLE OFFICE
<p>STRATEGIC OBJECTIVE No. 1</p> <p>Increased and diversified external trade.</p>	<ul style="list-style-type: none"> . Increase in real value of exports <ul style="list-style-type: none"> - By Major Markets: <ul style="list-style-type: none"> : USA : Europe : Other - By Major Commodities/Products: <ul style="list-style-type: none"> : Traditional : Non-Traditional . Increase in real value of imports <ul style="list-style-type: none"> - By Major Markets: <ul style="list-style-type: none"> : USA : Europe : Other - By Major Commodities: 	<p>Central Bank CEDOPEX IMF, World Bank LAC/DPP</p>	<p>PDI</p>
<p>PROGRAM OUTPUT No. 1.1</p> <p>Market Oriented Economic Policy and regulatory reforms adopted and maintained.</p>	<ul style="list-style-type: none"> . Internationally sanctioned stabilization policy reforms maintained (Y/N) . Internationally sanctioned debt restructuring program in place (Y/N) . EAI framework agreement, Environmental Framework Agreement, IDB Investment Sector Loan Agreement, EAI debt relief in place (Y/N) . Structural adjustments reforms (i.e., investment regime, trade regime, tax policies, labor codes) being implemented (Y/N) 	<p>Central Bank World Bank, IMF, IDB USAID</p>	<p>PDI</p>

PROGRAM GOALS, OBJECTIVE, OUTPUTS	PERFORMANCE INDICATORS	DATA SOURCES	RESPONSIBLE OFFICE
PROGRAM OUTPUT No. 1.2 Increased export production capability of Dominican Firms.	<ul style="list-style-type: none"> Value of Export Production Number of Local Firms Producing for Exports 	<ul style="list-style-type: none"> Industrial Linkage Project University Partnership Project Export Promotion Project University Ag-business Partnership Project 	PRE
PROGRAM OUTPUT No. 1.3 Wider access to market and investment information.	<ul style="list-style-type: none"> # of firms accessing market information # of market leads consummated # of firms accessing investment information # of investment leads consummated <ul style="list-style-type: none"> - Foreign Direct Investment - Domestic Investment 	<ul style="list-style-type: none"> JACC Industrial Linkages Project 	PRE
PROGRAM OUTPUT No. 1.4 Increased availability and reliability of competitively priced energy.	<ul style="list-style-type: none"> Increase in private sector investment in the energy sector Implementation of energy sector reforms (Y/N) Increase in electric power output Decrease in electrical power black-outs 	<ul style="list-style-type: none"> CDE DDRIE 	PRE

STRATEGIC OBJECTIVE No. 2 Increased socio-economic participation of the historically disadvantaged.

A. Rationale

The social services strategic objective is structured to feed into the increased employment and income sub-goal of the Mission. It precisely reflects the LAC Bureau guidance in its conceptualization of the participation of the historically disadvantaged contributing to economic growth. At the same time, the social services working group saw the necessity of the disadvantaged being able to benefit from -- as well as contribute to -- economic growth. In that sense they saw economic growth as both a means and an end leading to an improved society. In turn, three program outputs feed directly into Strategic Objective No. 2. These program outputs reflect results of Mission interventions in the areas of primary education, health, and micro and small enterprises.

Strategic Objective No. 2 feed directly into Sub-Goal No. 1 -- Increased employment and income. A healthy and educated population provides the necessary human capital for economic expansion. A health and education population is in a much better position to participate effectively and to enjoy the benefits of a dynamic and expanding economy.

The information evaluation and reporting needs at this Strategic Objective level were reviewed by the working group in terms of reporting needs at different program levels. The pertinent objective tree showing graphically the relationship between the strategic objective and program outputs is presented in the following page. Performance indicators and data sources developed by the working group for this objective and the associated program outputs are presented in Table 3.

B. Special Considerations

Performance indicators for Strategic Objective No. 2 reflect the rather high level at which this objective is stated. The indicators also reflect the leverage which the USAID social services portfolio achieves in concert with other specific efforts, such as those of Dominican private sector organizations and donors including World Bank and IDB. Thus for the Strategic Objective the indicators include such measures of achievement as raising primary education to a matter of national priority, improved health status of the disadvantaged, and income improvement for that same group.

Program output indicators for the social services area appear in some cases as if they were proxies of achievement. For example, for the education output -- **Improved quality of education services** -- indicators include the proxy measure of increase in % of non-salary expenditures per student (which is already beginning to show up as a result due to a happy convergence of appropriate leveraging and good timing). Because the primary education thrust is directed in part at private schools serving a portion of the disadvantaged population of the

capital city, Santo Domingo, certain measures of improved education quality have to reflect such a geographic focus.

For the health program output -- **Improved access to quality health services** -- so, too, are some of the measures localized to specific populations benefitting from USAID assistance. Other measures apply to the national level.

Measure of **increased employment opportunities**, the micro-enterprise program output, are similarly geared to capture improvements for specific segments of the population. As for many of the program outputs in the USAID program portfolio, proxy measures are utilized for this output. For example, increase in number of loans to micro-enterprises safely assumes the development of new employment opportunities as does the increase in number of financially sound lender to those enterprises. The direct measure of the employment rate applies to free zone enterprises.

C. USAID Inputs

USAID/Dominican Republic plans to support the achievement of Strategic Objective No.2 through the following activity.

1. Private Initiative - Primary Education Project, 19__ - 1993, \$1.9 Million
2. Family Health Care, 19__ - 1993, \$6.07 Million
3. Family Planning Services, 19__ - 1993, \$5.45 Million
4. Child Survival, 19__ - 1993, \$5.4 Million
5. AIDS Prevention, 19__ - 1993, \$2.8 Million
6. Agribusiness Promotion, 1985 - 1992, \$5.5 Million
7. Industrial Linkages, 1989 - 1994, \$5.0 Million
8. PVO Co-Financing, 19__ - 1996, \$6.2 Million
9. Micro/Small Business Development, 19__ - 1997, \$6.0 Million
10. Export and Investment Promotion, 1987 - 1992, \$10.6 Million

USAID/Dominican Republic
Social Services Program
Strategic Objective No. 2

STRATEGIC OBJECTIVE:

Increased socio-economic participation of the historically disadvantaged.

PROGRAM OUTPUTS:

Improved quality of educational services.

Improved access to quality health services.

Increased income generating opportunities.

USAID INPUTS:

- Primary Int. & Primary Ed.
- PVO Co-Financing
- Family Health Care
- Family Planning
- Child Survival
- AIDS Prevention
- PVO Co-Financing
- Micro & Small Bus. Dev.
- Ag Business Promotion
- PVO Co-Financing
- Export Promotion
- Industrial Linkages

Table 3. Social Services Program - Performance Indicators and Data Sources

Program Sub-Goal, Objective, Outputs	Performance Indicators	Data Sources	Responsibility
<p>STRATEGIC OBJECTIVE No. 2:</p> <p>Increased socio-economic participation of the historically disadvantaged</p>	<ul style="list-style-type: none"> primary education raised to level of national priority health status income improvement (distribution) 	<ul style="list-style-type: none"> analysis of press reporting project reports DHS special survey of disadvantaged and free zone employees 	GDO
<p>PROGRAM OUTPUT No. 2.1:</p> <p>Improved quality of education services</p>	<ul style="list-style-type: none"> increase in % non-salary expenditures per student decrease repeat rate (end of 4th/8th grades) rise in standardized test scores in selected samples 	<ul style="list-style-type: none"> PIPE project reports PIPE PIPE 	GDO

Program Sub-Goal, Objective, Outputs	Performance Indicators	Data Sources	Responsibility
PROGRAM OUTPUT No. 2.2: Improved access to quality health services	<ul style="list-style-type: none"> . # of people served by affordable preventative care: <ul style="list-style-type: none"> - free trade zone - micro-enterprise associations . infant mortality rate . absenteeism . prevalence and of modern use of contraceptive methods . % of sexually active population knowledgeable about safe sex . exclusive breast feeding rates . rates of ORT 	<ul style="list-style-type: none"> . FHC project reports . DHS . FHC reports . DHS . KAP periodic surveys . DHS . DHS 	GDO
PROGRAM OUT 3: Increased employment opportunities	<ul style="list-style-type: none"> . Increase of loans to micro-enterprises: <ul style="list-style-type: none"> - #/size - formal/informal - male/female - average size . Increase # of financially sound lenders to micro-enterprises: . employment rate: <ul style="list-style-type: none"> - male/female - free zones 	<ul style="list-style-type: none"> . MSBD project reports . MSBD project reports . MSBD project reports 	PRE

STRATEGIC OBJECTIVE No. 3 Increased environmental sustainability of production and extraction processes.

A. Rationale

Soil erosion and degradation, reduced water quality and watershed siltation have reduced hydropower and irrigation potential, decreased biological diversity and impaired agricultural productivity. The Dominican Republic has significant number of endangered species of tropical plants and fauna. Marine and riverine ecosystems have been damaged by improper irrigation and agricultural chemical residues. Urban solid waste is improperly disposed and creates unsightly breeding grounds for pest and diseases, and adds to water pollution. Industrial discharged, uncontrolled withdrawals from underground aquifers and discharges of inadequately treated municipal waste water have severely damaged water supplies. Coastal waters and marine ecosystems have also suffered from poor urban facilities to serve towns and tourism developments. Deforestation caused by slash and burn agriculture; creation of cattle pasture; and charcoal production have added to the environmental degradation in the Dominican Republic. While about 60 percent of the land is best suited to forest cover, less than 10 percent remains forested. Charcoal is an important source of energy and will continue to exert pressure on domestic forest resources as electricity will not soon provide a full energy substitute for charcoal burning.

Strategic Objective No. 3 represents USAID's realization that environmental degradation is a key constraint for the sustained economic growth of the Dominican Republic. USAID through the provision of technical assistance, training and grants to NGOs will assist Dominicans to rectify and/or arrest the problem. USAID will assist NGOs and environmental advocacy groups to pressure the Government of the Dominican Republic to develop sound environmental legislation and regulation and to enforce these regulation in a fair and consistent manner. There is some expectation for improvement as interest in environmental issues is strong among the educated young and NGOs are becoming increasingly involved in environmental projects.

This strategic objective directly feeds into the sub-goal of increased employment and income. In the long run environmentally benign production and extraction processes are essential for a sustained growth of employment and income. Five program outputs in turn contribute to the achievement of the strategic objective -- strengthened environmental community organizations; increased availability of reliable and competitively priced alternative energy supply; heightened attention to environmentally significant areas; adoption and enforcement of policies and regulations that favor environmental benign industries; and GODR commitment to environmental initiatives under the Enterprise for the Americas Initiative (EAI).

The pertinent objective tree is presented graphically in the following pages. Performance indicators and data sources for this objective and the associated program outputs are presented in Table 4.

B. Special Considerations

Achievement of this objective critically depends upon the GODR's implementation of policy recommendations stemming from both donors and the private sector. Such changes would include:

1. Enabling the participation of private organizations in the management and control of national parks, coastal zones, watersheds and similar areas of common good, such as man-made tourist attractions;
2. Increasing local autonomy and democratic decision-making regarding uses of regional and/or municipal public lands; and
3. Promote a market environment to enable the growth and development of economically viable activities which are consistent with the sustained use of watersheds and coastal zones.

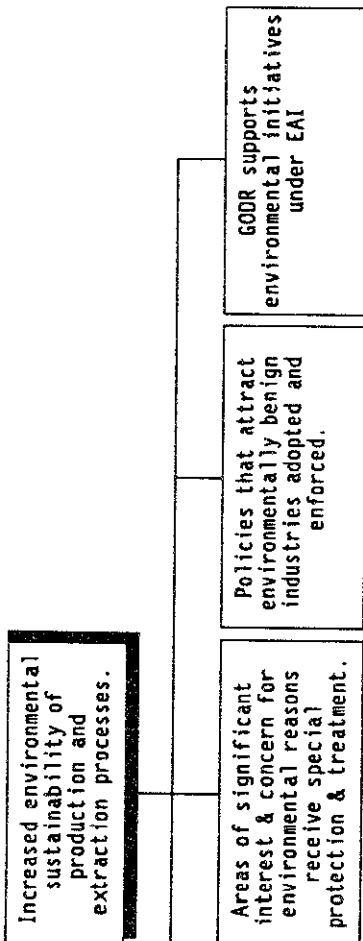
C. USAID Inputs

USAID/Dominican Republic hopes to achieve Strategic Objective No. 3 by providing assistance to Dominican environmental NGOs and PVOs. Some of the USAID projects and programs that directly or indirectly provide assistance to environmental NGOs and PVOs are listed below.

1. Economic Policy and Practice , 1992 -1998, \$6.0 Million
2. Agribusiness Promotion, 1985 - 1992, \$5.5 Million
3. Economic Stabilization Fund (ESF), 1992 - 1994, \$100.0 Million
4. PVO Co-Financing, 19 __ - 1996, \$6.2 Million
5. Sustaining Growth through Natural Resources Management, 1993 - 1997, \$7.0 Million
6. Enterprise for Americas Initiative

USAID/Dominican Republic Natural Resources Management Program Strategic Objective No. 3

STRATEGIC OBJECTIVE:



PROGRAM OUTPUTS:

- Democratic community organizations control and protect their own environment.
- Increased availability and reliability of competitively priced alternative energy.
- Areas of significant interest & concern for environmental reasons receive special protection & treatment.
- Policies that attract environmentally benign industries adopted and enforced.
- GODR supports environmental initiatives under EAI

USAID INPUTS:

- PVO Co-Financing
- Ag Business Promotion
- EAI
- ESF
- New Project to be designed

Table 4. Natural Resources Management Program - Performance Indicators

PROGRAM GOALS, OBJECTIVE, OUTPUTS	PERFORMANCE INDICATORS	DATA SOURCES	RESPONSIBLE OFFICE
STRATEGIC OBJECTIVE No. 3: Increased environmental sustainability of production and extraction processes.	<ul style="list-style-type: none"> . Increase in private sector investment in alternative energy sources . Decrease in use of marginal and unstable lands for agricultural production . Increase in potable and industrial water availability . Decrease in domestic charcoal production 	<ul style="list-style-type: none"> . National Resource Inventory/CDE . INDRHI, INAPA/SESPAS/CAASD 	ET
PROGRAM OUTPUT No. 3.1 Democratic community organizations control and protect their own environments.	<ul style="list-style-type: none"> . Increase in number of PVOs and communities active in protecting their natural resources 	Sample Survey	ET
PROGRAM OUTPUT No. 3.2 Increased availability and reliability of competitively priced alternative energy.	<ul style="list-style-type: none"> . Increase in number and area of energy farms . Increase in non-fossil fuel powered energy supply 	World Bank Sample Survey Natural Resources Survey	ET
PROGRAM OUTPUT No. 3.3 Areas of significant interest and concern for environmental reasons receive special protection and treatment.	<ul style="list-style-type: none"> . Increase in total forested area . Increase in mangrove area . Increase in fresh water area . Increase in coastal zones restored and protected 	SURENA INDRHI PROGRESSIO INAPA CONATEF	ET

PROGRAM GOALS, OBJECTIVE, OUTPUTS	PERFORMANCE INDICATORS	DATA SOURCES	RESPONSIBLE OFFICE
<p>PROGRAM OUTPUT No. 3.4</p> <p>Policies that attract environmentally benign industries adopted and enforced.</p>	<ul style="list-style-type: none"> · Increase in number of environmentally benign firms in DR · Decrease in number of environmentally damaging firms 	<p>INDOTEC INAPA Municipios</p>	<p>ET</p>
<p>PROGRAM OUTPUT No. 3.5</p> <p>GODR supports environmental initiatives under EAI.</p>	<ul style="list-style-type: none"> · GODR and private sector sign an EAI environmental framework agreement (Y/N) · A functioning environmental fund is appropriately utilized (Y/N) 	<p>Central Bank PRONATURA</p>	<p>ET</p>

STRATEGIC OBJECTIVE No. 4: Participatory democratic reform.

A. Rationale

The Policy and Democratic Initiative Office (PDI) judiciously decided to follow the lead of Dominican civic organizations and groupings in supporting existing democratic reform initiatives. Towards this end the PDI is presently in the process of selecting a private, intermediary organization as a means of channeling USAID assistance so that a diversity of civic groups and organizations can continue or commence participation in furthering the democratic reform process.

Several earlier statement of Strategic Objective No. 4 had been made by the Mission. In fact, the democratic initiative issue was originally captured in two separate objectives. One of these, which focused on government institution efficiency and impartiality, was eliminated. The rationale for its elimination was that unless citizen participation in influencing the process of government occurred, then "fine-tuning" the machinery of government was fruitless. The other Strategic Objective -- and the one which was retained as the centerpiece of the USAID democratic program -- was initially stated in the CDSS as follows:

Support Dominican initiatives to facilitate participation and encourage involvement by citizens in the process of government.

Upon considerable discussion on the focus and wording of the above statement, the PPAP democracy working group decided to reiterate and telescope Strategic Objective No. 4. The result of the group's deliberations is a much-shortened statement which is worded so as to more clearly and emphatically articulate the expected result or achievement. The working group landed on the following, almost spartan definition of their Office's Strategic Objective:

Participatory democratic reform

This statement of the Strategic Objective reflects the working group's assertion that unless citizens' participation in the process of political development results in visible change or improvement, then that process risks social and political frustration and unrest. In addition, it captures an existing reality of the Dominican democratic initiative: civic organizations and groups are already participating in the process of democratization through influencing change in distinct areas of government. Specifically, these organizations are committed to and presently working on three kinds of democratic reform in the Dominican Republic, namely electoral, judicial, and civil service.

These three areas of reform are presently considered as likely candidates for support under the evolving USAID Democratic Initiative (DI) project. They are illustrative of the kinds of efforts USAID envisions supporting. The DI project has as its purposes the increased awareness and participation of citizens and the improved responsiveness of government. It is directed more

specifically towards a greater citizen role in decision-making which leads to government reform and national development. A fourth program output derives from the PDI office's support of policy and regulatory reform. Aimed at regularizing the delivery of electricity to the Dominican population through greater competition, including privatization, that effort also draws heavily on the active involvement of Dominican civic or public interest groupings.

Contributing to the four outputs is an important program sub-output. Defined as "enhanced participation of civic groups and organizations," this sub-output contributes directly to the all-important participatory process and to the achievement of visible change in the manner in which citizens are served by their government.

The pertinent objective tree is presented graphically in the following page. Performance indicators and data sources for this objective and the associated program outputs are presented in Table 5.

B. Special Considerations

The strategic objective performance indicators attempt to gauge the achievements reached through citizens' participation in the process of influencing government. The number of reform issues brought to formal discussion, to formal negotiation, and actually implemented represent the success of participatory democratic reform. An added measure is the degree of increase in citizen awareness of their rights and duties in a democracy and of the critical issues of the day.

Indicators of the illustrative reforms under program outputs measure the timeliness or perception of timeliness with which events representing a democracy action. Timeliness with which electoral results are reported, with which court cases are processed or the perception of timeliness of public service delivery are examples of measures. Confidence in the system is another measure of the various illustrative reforms influenced by civic organizations. Other measures at the output level reflect the degree to which relevant agencies of government are professionalized. A series of public opinion surveys will be required to measure achievement of the strategic objective.

C. USAID Inputs

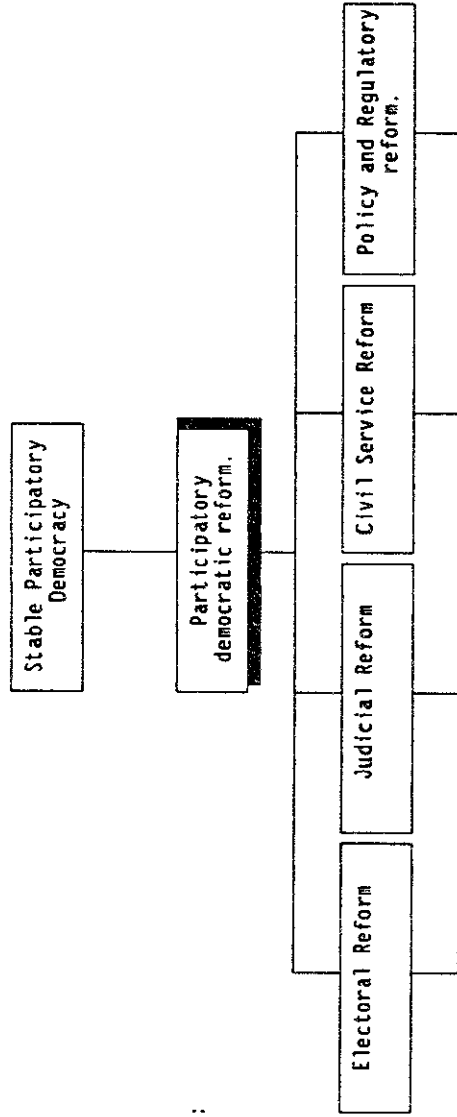
Besides the DI project itself and the policy and regulatory reform project referred to earlier, the PVO co-financing and development training projects contribute to democratic reforms of one kind or another.

1. Democratic Initiatives, 1992 - 1997, \$9.0 Million
2. Economic Policy and Practice , 1992 -1998, \$6.0 Million

3. Development Training, 19__ - 1994, \$ 14.9 Million
4. PVO Co-Financing, 19 __ - 1996, \$6.2 Million

USAID/Dominican Republic
Democratic Initiative Program
Strategic Objective No. 4

PROGRAM SUB-GOAL:



STRATEGIC OBJECTIVE:

PROGRAM OUTPUTS:
(illustrative)

PROGRAM SUB-OUTPUT:

Enhanced participation
of civic groups and
organizations.

USAID INPUTS:

- . Democratic Initiative
- . Economic Policy & Practice
- . PVO Co-financing
- . Development Training

Table 5. Democratic Initiative Program - Performance Indicators and Data Sources

Program Sub-Goal, Objective, Outputs	Impact Indicators	Data Sources	Responsibility
STRATEGIC OBJECTIVE No. 4: Participatory democratic reform.	<ul style="list-style-type: none"> # of significant issues brought to formal discussion # of significant issues brought to formal negotiation # of significant reforms implemented increase in citizen awareness (male/female) 	<ul style="list-style-type: none"> DI Project reports periodic surveys 	<ul style="list-style-type: none"> PDI PDI GDO, PDI
PROGRAM OUTPUT No. 4.1: Electoral reform (illustrative)	<ul style="list-style-type: none"> timeliness with which electoral results are reported confidence in fairness of the electoral process 	<ul style="list-style-type: none"> analysis of press reporting periodic surveys 	<ul style="list-style-type: none"> PDI
PROGRAM OUTPUT No. 4.2: Judicial reform (illustrative)	<ul style="list-style-type: none"> timeliness with which court cases are processed confidence in fairness of the judicial process professionalism of the judiciary appointed by the Supreme Court 	<ul style="list-style-type: none"> Supreme Court Statistical Bulletin periodic surveys analysis of press reporting 	<ul style="list-style-type: none"> PDI
PROGRAM OUTPUT No. 4.3: Civil service reform (illustrative)	<ul style="list-style-type: none"> perception of timeliness and quality of public service delivery (male/female) perception of effectiveness of civil service (male/female) rate of staff replacement with change of administrations 	<ul style="list-style-type: none"> periodic surveys DI project reports 	<ul style="list-style-type: none"> PDI

Program Sub-Goal, Objective, Outputs	Impact Indicators	Data Sources	Responsibility
PROGRAM OUTPUT No. 4.4: Policy and regulatory reform	<ul style="list-style-type: none"> increased channels for public opinion affecting GODR perception of open, participatory decision-making process (male/female) 	<ul style="list-style-type: none"> DI, EPP project reports periodic surveys analysis of press reports 	<ul style="list-style-type: none"> PDI
PROGRAM SUB-OUTPUT: Enhanced participation of civic groups and organizations.	<ul style="list-style-type: none"> # of involved NGOs and civic groups and organizations increase in citizen participation (male/female) increase in participation of women and disadvantaged social groups 	<ul style="list-style-type: none"> DI, PVO Co-Fin. Project reports periodic surveys DETRA Project reports 	<ul style="list-style-type: none"> PDI, GDO PDI GDO

Chapter III. NEXT STEPS IN IMPLEMENTING M&E SYSTEM

A. Further Development of Performance Monitoring

First, USAID/Dominican Republic should review the present report and make any final revisions to program goal, sub-goals, strategic objectives and targets, as it sees fit. Next, it should review and select the appropriate performance indicators for each of the program goal, sub-goals, strategic objectives, and targets.

After confirming the conceptualization and structure of the objective tree, the Mission should begin the implementation process in earnest. The following steps are suggested to guide the implementation strategy:

- Review and discuss the selected Strategic Objectives and their associated Performance indicators with appropriate government agencies, NGOs, PVOs and other cooperating agencies and contractors to ensure acceptability of targets and indicators and feasibility of reporting schedules.
- Identify data sources. In some cases, individual USAID projects will generate the necessary data; in other cases, national data may suffice. But for some indicators obtaining data will require additional work. If the data collection effort is very expensive, consideration should be given to alternative indicators. Once the cost of data collection has been determined, begin preparation for those indicators that require special studies.
- Begin establishing baseline data for each indicator. If no baseline exists, the first measurement of the indicator would constitute the baseline. If the indicator does not lend itself to measurement in some form on a regular basis, then the indicator should be eliminated.
- Establish quantified levels to be achieved annually (targets) for each strategic objective performance indicators as this will serve as a guide to monitoring performance over the life of the CDSS.
- The data sets that each technical office will need to develop and maintain in order to report on the selected performance indicators need to be identified clearly by office and by strategic objective and target.
- The methodology and process for aggregating data upward from project and program sub-target to the strategic objectives should be defined and established. The collection, analysis and organization of the data needed for internal management and external reporting should be identified and reporting formats, including sample tables, should

be designed in advance to facilitate data presentation for ongoing management review and preparation of reports for AID/W.

- The methodology and process for gathering data on program and project outputs should, where applicable, identify gender-specific indicators. Gender-specific data should be updated periodically and should be part of the Mission's report.

USAID has various options available for carrying out the above tasks. Requisite Washington staff, one of whom helped to undertake this assignment, may be able to provide further assistance. Or USAID could employ a contractor to carry out the activities with, of course, the active participation of USAID itself. Or USAID could use its own staff and the services of contractors presently employed on various projects.

B. Assignment of Responsibilities

At present, specific individuals have monitoring and reporting responsibilities for individual projects and non-project activities. It is suggested that USAID adopt (with revisions it deems appropriate) the strategic objectives and their supporting program targets as its principal vehicle for monitoring and reporting on its overall program.

At the program target level, monitoring tasks may be delegated to some extent to contractors, and cooperating agencies but project managers should be responsible for ensuring that it is done.

The development of a comprehensive data monitoring plan tied to reporting and decision making needs would appear to be an early priority. The mission may decide that additional human resources are needed to operate the system.

ANNEXES

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01/16/92 647-5175
AID/LAC/DPP/SDPP:ERUPPRECHT

AID/LAC/DPP/SDPP:TBETHUNE {INFO}

AID/LAC/DPP:JWALKER
AID/LAC/CAR:GDANIELS {PHONE}

PRIORITY SANTO DOMINGO

AIDAC FOR USAID DOUGLAS CHIRIBOGA

E.O. 12356: N/A

TAGS:

SUBJECT: PPAS TECHNICAL ASSISTANCE TO USAID/SANTO DOMINGO

REF: A) CHIRIBOGA-WARE TELCON, JANUARY 16
B) JANUARY 16 FAX FROM DOUGLAS CHIRIBOGA

1. PER REF B, LAC/DPP/SDPP CONFIRMS THAT SUBJECT TEAM TDY WILL BE FOR THE PERIOD JANUARY 26 THROUGH FEBRUARY 8, 1992.

2. TEAM COMPOSITION IS AS FOLLOWS: JAMES WALKER, LAC/DPP ECONOMIST AND TEAM LEADER; JOHN MASON, POL/CDIE ANTHROPOLOGIST WITH PRIMARY TEAM RESPONSIBILITY FOR DEMOCRATIC INITIATIVES ISSUES; JAMES CHASE, MANAGEMENT SYSTEMS INTERNATIONAL (MSI) CONSULTANT WITH PRIMARY TEAM RESPONSIBILITY FOR HUMAN RESOURCES ISSUES; AND SAM TADESSE, MSI CONSULTANT ECONOMIST WITH SHARED PRIMARY TEAM RESPONSIBILITY (WITH TEAM LEADER) FOR ECONOMIC POLICY REFORM AND PRIVATE SECTOR ISSUES.

3. TEAM ETAS ARE AS FOLLOWS: WALKER ARRIVES FRIDAY, JANUARY 24 AT 7:39 PM VIA AMERICAN AIRLINES FLIGHT 1487B. LAC/DPP KINDLY REQUESTS THAT MISSION ARRANGE AIRPORT TO HOTEL TRANSPORTATION FOR WALKER. MASON, CHASE AND

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TADESSEE ARRIVE SUNDAY, JANUARY 26 AT 2:34 PM VIA AMERICAN AIRLINES FLIGHT 1265. MASON PLANS TO RENT A CAR AT THE AIRPORT FOR THE THREE TEAM MEMBERS.

4. REGARDING THE PURPOSE OF THIS TDY: TEAM CONSENSUS IN THE JANUARY 15 TEAM PLANNING MEETING WAS THAT PRINCIPAL TDY OBJECTIVES INCLUDE THE FOLLOWING:

A. TO ASSIST THE MISSION IN SHARPENING THE FOCUS OF ITS PROGRAM LEVEL STRATEGIC OBJECTIVES EXERCISE ALREADY UNDERWAY AND FORMULATING PERFORMANCE INDICATORS THAT WILL STRENGTHEN MISSION CAPABILITY TO MEASURE PROGRAM PROGRESS AND IMPACT;

B. TO ASSIST THE MISSION IN IDENTIFYING THE APPROPRIATE INTERACTIVE PROCESSES FOR INVOLVING THE ENTIRE MISSION STAFF (USDH, FSN AND CONTRACT PROFESSIONAL STAFF AS APPROPRIATE) IN THE PPAS PLANNING AND EVALUATION PROCESS, I.E., IDENTIFYING HOW TO GAIN MISSION-WIDE OWNERSHIP OF THE PPAS PLANNING PROCESS;

C. TO ASSIST THE MISSION IN STRENGTHENING ITS UNDERSTANDING OF THE PRINCIPLES AND PROCESSES OF STRATEGIC MANAGEMENT AND HOW THESE DOVETAIL WITH THE BUREAU'S PERSPECTIVE AND REQUIREMENTS REGARDING STRATEGIC MANAGEMENT; AND

D. TO ASSIST THE MISSION IN ACQUIRING THE SKILLS AND PLANNING CAPABILITY THAT WILL ENABLE IT TO CONDUCT ITS OWN INTERNAL PLANNING PROCESS AND FOLLOW THROUGH AFTER COMPLETION OF TDY ASSISTANCE.

5. PER REF A, THE TEAM PROPOSES THE FOLLOWING TENTATIVE WORK SCHEDULE OF MAJOR TEAM/MISSION ACTIVITIES:

FRIDAY/SUNDAY 24-26 JANUARY: PPAS TEAM ARRIVAL.

A.M. MONDAY 27 JANUARY: MEETING WITH SENIOR MISSION MANAGEMENT, INCLUDING MISSION DIRECTOR AND DEPUTY MISSION DIRECTOR.

P.M. MONDAY 27 JANUARY: MEETING WITH DIVISION HEADS.

A.M./P.M. TUESDAY 28 JANUARY: TEAM REVIEWS PROGRAM AND PROJECT DOCUMENTATION AND PLANS MISSION-WIDE WORKSHOP.

9 A.M. - 3 P.M. WEDNESDAY 29 JANUARY: MISSION-WIDE PPAS WORKSHOP.

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MORNING: GENERAL PRESENTATION BY TEAM/DISCUSSION WITH MISSION.

AFTERNOON: BREAKOUT INTO SMALL WORK GROUPS FOR REVIEW OF MISSION STRATEGIC OBJECTIVES.

A.M. - P.M. THURSDAY 30 JANUARY: OFFICE-LEVEL MEETINGS WITH DESIGNATED TEAM MEMBER OR MEMBERS (APPROXIMATELY ONE AND ONE HALF HOURS LONG).

FRIDAY 31 JANUARY - WEDNESDAY 5 FEBRUARY: DISCUSSION OF POSSIBLE REFORMULATION OF STRATEGIC OBJECTIVES AND PROGRAM OUTPUTS; PRELIMINARY FORMULATION OF PERFORMANCE INDICATORS (DAILY MEETINGS WITH OFFICES, ALSO APPROXIMATELY ONE AND ONE HALF HOURS LONG).

A.M. TUESDAY 4 FEBRUARY: PROGRESS REPORT MEETING WITH SENIOR MISSION MANAGEMENT.

A.M. THURSDAY 6 FEBRUARY: MISSION-WIDE PRESENTATION OF PPAS RESULTS. REPORTING OUT SHOULD HAVE MAXIMUM STAFF PARTICIPATION AND PRESENTATION RATHER THAN TEAM PRESENTATIONS.

A.M. FRIDAY 7 FEBRUARY: TEAM DEBRIEFING WITH SENIOR MISSION MANAGEMENT.

P.M. FRIDAY 7 FEBRUARY: TEAM REVISIONS FOR DRAFT REPORT TO BE LEFT WITH MISSION.

SATURDAY/SUNDAY 8/9 FEBRUARY: PPAS TEAM DEPARTURES.

6. MASON, CHASE AND TADESSEE WILL ARRIVE WITH IBM-COMPATIBLE LAP TOP COMPUTERS. PLEASE ADVISE IF MISSION HAS A PRINTER THAT THESE TEAM MEMBERS CAN ACCESS FOR PRINTING FROM THEIR LAP TOP HOOK-UPS.

7. PLEASE ADVISE IF MISSION HAS SPACE IT CONSIDERS APPROPRIATE TO ACCOMMODATE FULL MISSION IN A WORKSHOP SETTING THAT CAN ALSO BE USED FOR SEVERAL SMALL WORK GROUPS, OR IF AN OFF-SITE LOCATION WOULD BE MORE APPROPRIATE.

8. TO FACILITATE THE WORKSHOP PROCESS THE TEAM WOULD LIKE TO USE AN OVERHEAD PROJECTOR AND FLIP CHARTS ON AN EASEL. PLEASE ADVISE IF THESE CAN BE MADE AVAILABLE FOR TEAM USE.

A DRAFT REPORT WILL BE LEFT WITH THE MISSION FOLLOWING THE TEAM'S DEBRIEFING WITH SENIOR MISSION MANAGEMENT.

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ANNEX 2: WORKSHOP AGENDA

Workshop Objective

- Introduce PPAS, including principles & Processes of Strategic planning methodology
- Review & Discuss Bureau Guidance & Other Issues
- Review & Discuss USAID/DR Strategic Objectives and re-articulate as needed

Workshop Schedule

9:00 - 9:15 Review Workshop Objectives

9:15 - 9:45 Introductions/Expectations

9:45 - 10:15 Introduction to PPAS

10:15 - 10:30 Break

10:30 - 11:15 Principles of Strategic Planning

11:15 - 11:45 Review of LAC Guidance

11:45 - 12:00 Introduction & Formation of PM Small Groups

12:00 - 1:00 Lunch

1:00 -2:45 Small Groups Work on Strategic Objectives

2:45 - 3:00 Break

3:00 - 4:00 Report-out of Small Groups

4:00 - 4:30 Summary & Discussion of Next Steps

Next Steps

1. Form Strategic Objectives Working Groups
2. Schedule Working Group Meetings
3. Schedule Feedback Meetings with Mission Management
4. Working Group report-out to Mission-wide Audience
5. PPAP Team Debriefing with Mission Management

ANNEX 3: Test For Statement of a Good Strategic Objective

- ☺ Represents Most Significant Achievement of USAID
- ☺ Is Result Oriented and **Not** Action
- ☺ Has Clarity & Focus
- ☺ Has Single Purpose & Direction
- ☺ Is Short & Precise Statement
- ☺ Is Measurable
- ☺ Is Manageable With USAID Resources
- ☺ Is Pursued Through Clear Program Strategies

ANNEX 4: List of Working Group Participants

Economic Growth

Peter Amato
Robert Barnes
Doug Chiriboga
Luis Gonzalez
Piedad Gonzalez
Larry Laird
Ben Severn
Jim Walker
Sam Taddesse (Facilitator)

Social Service

Paul Struharik
Jack Thomas
Peter Amato
Hector Perez
Robert Barnes
Sarah George
John Mason (Facilitator)

Natural Resources Management

Larry Laird
Robert Barnes
Jim Walker
Sam Taddesse (Facilitator)

Democratic Initiatives

Ben Severn
Manuel Ortega
Piedad Gonzalez
Jim Chase
Jim Walker
John Mason (Facilitator)

ANNEX 5: DATA SET INVENTORY

[illegible]

ANNEX 5: DATA SET INVENTORY

[illegible]

Annex 6. Policy Reform Matrix

Reform/Legislation Passed	Publication/ Source	Date Passed	Date Implemented	Implementing Agency
MACROECONOMIC & FISCAL POLICY REFORMS				
PUBLIC SECTOR REFORMS:				
TRADE REGIME REFORMS:				
FOREIGN EXCHANGE REGIME REFORMS:				
BUSINESS REGULATORY REFORMS:				
MARKET PRICING REFORMS:				
OTHER REFORMS (Please name):				

ANNEX 7: A FRAMEWORK FOR ASSESSING INSTITUTIONAL DEVELOPMENT

The Mission has stated that institutional strengthening is a primary objective in its interventions across all sectors. In light of USAID's emphasis on institutional strengthening it might be useful for the Mission to devise guidelines (a Mission approach) to its interventions in this regard. The following questions are among those which would need to be addressed:

What is the Mission's definition of institutionally strengthening? How does this differ between private and public institutions?

What percentage of recurrent costs should be covered from fee-for service revenues, and at what point does USAID believe it can withdraw financial support and be assured the institution has a reasonable chance of continuing to exist and offer a similar level and quality of services?

What are the Mission's primary analysis factors in determining interventions to increase the viability (sustainability) of an institution?

How does the Mission assess and rate the need for increased administrative skills, policies (e.g. procurement, personnel), diversification of funding sources?

The following tables are examples of matrices that could be useful in assisting Mission management to assess its overall institutional strengthening progress and tactics.

A FRAMEWORK FOR ASSESSING INSTITUTIONAL DEVELOPMENT

Institution: (Name)	1991	1992	1993	1994	1995
Annual Budget:	\$				
Amount (and percent) of Annual Budget Supplied by USAID	\$ (%)				
Amount (and percent) of Annual Budget Recovered through Revenue Generation	\$ (%)				
Major Revenue Generation Activities:					
1.					
2.					
3.					
a) Amount and b) Percentage of Annual Budget Provided by Each of the Above Activities:					
1a.					
1b.					
2a.					
2b.					
3a.					
3b.					

Institution: (Name)	1991	1992	1993	1994	1995
a) Other donors and b) Amount/Percentage of Funding Supplied by Other Major Donors:					
1a.					
1b.					
2a.					
2b.					
3a.					
3b.					
No. of Staff					
Per Capita Amount of Annual Expenditures (total operating budget/number of staff)					
Rating for quality of Procurement systems:					
Are personnel policies in place and adequate?/Strategic Plans?					

USAID CONTRIBUTIONS TO SUPPORTED INSTITUTIONS

YEAR: 1991

INSTITUTION	TOTAL OPERATING BUDGET (ANNUAL)	ANNUAL USAID CONTRIBUTION	PERCENTAGE OF OPERATIONS BUDGET SUPPLIED BY USAID
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			
14.			
15.			
16.			
17.			
18.			
19.			
20.			